

Exhibit 10

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1	A P P E A R A N C E S :	
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3	COMMODITY FUTURES TRADING COMMISSION	
4	-----X	
5	IN THE MATTER OF:	
6	RETAIL FOREX FRAUD	
7	-----X	
8		
9	140 Broadway	
10	New York, New York	
11		
12	May 25, 2016	
13	9:39 A.M.	
14		
15	DEPOSITION of DREW NIV, the witness	
16	herein, taken by the Commodity Futures Trading	
17	Commission, pursuant to Agreement, held at the	
18	above-noted time and place, before a Notary Public	
19	of the State of New York.	
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2	MR. NEWMAN: We are on the record. It's	
3	9:39 a.m. on May 15th, 2016.	
4	Can you swear in the witness, please.	
5	D R E W N I V,	
6	having been duly sworn by a Notary	
7	Public for the State of New York,	
8	testified as follows:	
9	EXAMINATION	
10	BY MR. NEWMAN:	
11	Q Can you please state and spell your full	
12	name for the record.	
13	A Sure. My name is Dror Niv, D-r-o-r.	
14	Q And you also go by Drew?	
15	A Drew, correct.	
16	Q D-r-e-w?	
17	A Correct.	
18	Q Can you tell me your full address,	
19	please?	
20	A 78 Pecksland Road, Greenwich,	
21	Connecticut 06831.	
22	Q My name is David Newman. I am here with	
23	my colleagues, Brent Tomer, Chris Giglio, Xavier	
24	Romeu-Matta. Xavier, Brent and I are attorneys,	
25	with the Division of Enforcement of the	

<p style="text-align: right;">153</p> <p>1 Drew Niv 2 because of competition, and market conditions 3 changed dramatically, which obviously did happen 4 over the years. 5 Q That would be related to his P&L per 6 million, right, the change in competition or 7 market conditions? 8 A Yes. 9 Q Is there anything besides a change in 10 his P&L per million that you contemplated could 11 cause an adjustment in the payments for order 12 flow? 13 A Not that I recall. 14 Q As far as you can recall, were there any 15 discussions within FXCM including with the 16 compliance department about this arrangement of 17 setting the payment for order flow at \$21 per 18 million with the idea of adjusting it if Effex's 19 P&L went up or down? 20 A Compliance was involved in obviously 21 all, essentially we were trying to mimic what 22 happened, you know, in other arrangements in 23 equities where there were standards already set 24 for this, and obviously as in equities, as for 25 example, options used to have lots of payment for</p>	<p style="text-align: right;">154</p> <p>1 Drew Niv 2 order flow, as there's lots of more exchanges and 3 competition, proliferation of exchanges and big 4 increase in competition, those spreads narrowed 5 and therefore the payment for order flow payments 6 went down. Happened in options, happened in 7 equities, contemplated that would happen here, 8 that's not abnormal. 9 Q So you had discussions internally at 10 FXCM including with compliance personnel about the 11 idea that this adjustable payment for order flow 12 would be appropriate because it's similar to 13 what's been done in other -- with payment for 14 order flow in other markets? 15 A Correct. 16 Q Do you recall anyone in particular who 17 was involved in making that point or discussing 18 that point with you? 19 A It was the same crowd we were 20 discussing. 21 Q And do you recall any e-mails or memos 22 or other documents where that point may have been 23 discussed? 24 A It's too long ago to remember the 25 details.</p>
<p style="text-align: right;">155</p> <p>1 Drew Niv 2 Q There may have been, there may not have 3 been, you are not sure either way? 4 A Correct. 5 Q Isn't it the case that FXCM had an 6 equity interest in Effex? 7 A No. 8 Q Did FXCM have an option to buy a portion 9 of Effex Capital? 10 A One of the contemplated negotiating 11 things we did, but we did not do a deal. 12 Q To your recollection, when in the 13 process was it contemplated? 14 A Like I said over -- between 2010 and 15 2012 we went through a bunch of permutations and a 16 bunch of deliberations whether to do this or not. 17 Ended up buying Lucid instead of Effex, and that 18 was the end of that. 19 Q Do you recall if it was something that 20 was considered at this same time that Effex was 21 being formed in the first part of 2010? 22 A I don't recall the exact specifics 23 because I think William did more of the 24 negotiating and all of that and came up with lots 25 of different ideas and had lots of conversations.</p>	<p style="text-align: right;">156</p> <p>1 Drew Niv 2 We never implemented the options agreement or 3 anything else. We had a rolling series of 4 discussions and negotiations depending what was 5 going on at the time about these issues, but it 6 never came to pass, never happened. 7 Q So let me take that one part at a time. 8 You have a recollection that an options agreement 9 was drafted in the time period before Mr. Dittami 10 resigned from FXCM? 11 A I don't remember the time period. I do 12 recall the option agreement and I do recall 13 talking about the option agreement. 14 Q Do you recall whether it was around the 15 time that Mr. Dittami was preparing to leave FXCM? 16 A I don't recall the time. It is too long 17 ago for me to recall the exact time. I know that 18 one exists and I know we spoke about it. It was 19 one of those things where compliance said the 20 option would make it look, you know, essentially 21 that's not the conservative read of what we would 22 want to do and therefore should not happen. 23 Obviously this was certainly early on in 24 the process, not exactly before he left. But 25 early on before the company had more customers and</p>

<p style="text-align: right;">157</p> <p>1 Drew Niv 2 was worth more. He was clearly within a year 3 later he was worth a lot more than that and we 4 couldn't do that.</p> <p>5 MR. GARCIA: Can we take a break?</p> <p>6 MR. NEWMAN: Sure, we can take a break.</p> <p>7 Off the record. The time is 3:01.</p> <p>8 (Brief recess, 3:01 - 3:19 p.m.)</p> <p>9 MR. NEWMAN: Back on the record at 10 3:19 p.m.</p> <p>11 Please mark this.</p> <p>12 (Option Agreement was marked 13 Deposition Exhibit 10 for 14 identification.)</p> <p>15 BY MR. NEWMAN:</p> <p>16 Q Mr. Niv, I am going to hand you what's 17 been marked Exhibit 10, it is titled Option 18 Agreement. Do you recognize this document?</p> <p>19 A Yes.</p> <p>20 Q What is it?</p> <p>21 A It's the contemplated option agreement 22 with FXCM.</p> <p>23 Q You see it's dated April 14, 2010?</p> <p>24 A Yes.</p> <p>25 Q Just to be clear, that's the date that</p>	<p style="text-align: right;">158</p> <p>1 Drew Niv 2 Mr. Dittami tendered his resignation from FXCM? 3 A Yeah.</p> <p>4 Q Did you -- I take it you saw this 5 document in your preparation for this deposition?</p> <p>6 A Yes.</p> <p>7 Q Prior to seeing it in your preparation, 8 had you seen this before?</p> <p>9 A I don't believe so.</p> <p>10 Q Were you aware that there was an option 11 agreement dated April 14th?</p> <p>12 A Yes, I was aware there was an option 13 agreement, not what date it was.</p> <p>14 Q Were you aware that it was dated 15 approximately April 14, 2010? In other words, 16 around the time of Mr. Dittami's departure from 17 FXCM?</p> <p>18 A I don't recall that information. Like I 19 say, I know that we had contemplated, you know, we 20 discussed this, so I knew about the option 21 agreement because we discussed this as an option 22 that there would be an option agreement. But I 23 don't recall the dates and specifics.</p> <p>24 Q Looking at the second page of the 25 document, do you agree it appears to be executed</p>
<p style="text-align: right;">159</p> <p>1 Drew Niv 2 by John Dittami as well as by William Ahdout for 3 Forex Capital Markets LLC?</p> <p>4 A I know that this document is signed but 5 it was not executed.</p> <p>6 Q Can you explain the difference?</p> <p>7 A When I say -- we did not consider this 8 valid.</p> <p>9 Q When you say you didn't consider it 10 valid, I guess I'm a little confused because you 11 testified a minute ago that you weren't aware that 12 an option agreement had been signed as of this 13 date, April 14, 2010.</p> <p>14 A Like I said, I was aware we were having 15 discussions about, you know, using the option of 16 having an option agreement, you know to 17 potentially make it easier to own or buy Effex 18 Capital down the road. We rejected that option 19 and I know we did not go forward with it.</p> <p>20 Q Do you recall when was the timing of the 21 decision not to go the route of entering into an 22 option agreement?</p> <p>23 A I don't recall the specifics. I know 24 that I -- compliance said no, so I said no, and 25 this never came to the board for approval or</p>	<p style="text-align: right;">160</p> <p>1 Drew Niv 2 anything like that.</p> <p>3 BY MR. LATORRE:</p> <p>4 Q Just to be clear, Mr. Ahdout is an 5 authorized signatory of FXCM?</p> <p>6 A Yes, he is. But this would be a board 7 of directors of the company would have to approve. 8 Couldn't sign it.</p> <p>9 Q Who were the board of directors of 10 Capital Markets LLC in 2010?</p> <p>11 A The holding company founders, FXCM, plus 12 a bunch of external directors.</p> <p>13 Q Mr. Ahdout was a director at the time?</p> <p>14 A One of the directors, yes.</p> <p>15 BY MR. NEWMAN:</p> <p>16 Q He was a director of the holding 17 company?</p> <p>18 A Yes, the sub does not have a board.</p> <p>19 Q I see. So you are saying your opinion 20 is that, your view is that for the sub to enter an 21 agreement like this it would have had to be 22 approved of by directors of the holding company?</p> <p>23 A It's a division of the company. Like 24 the holding company is the company, U.S. branch, 25 for lack of a better word, is a division of the</p>

<p style="text-align: right;">161</p> <p>1 Drew Niv 2 company. 3 Q I get that. I am just -- my question 4 was more, in your view, this is something that 5 Mr. Ahdout wouldn't have authorization to do 6 without a vote of the directors? 7 A Without board consent, correct. 8 Q Is that based on something in the bylaws 9 of FXCM or is it more based on just your 10 understanding and your informal understanding 11 among partners what you are permitted to do? 12 A There were other shareholders by that 13 time so there's external directors representing 14 those shareholders. Some of those external 15 shareholders were also on the board representing 16 all the external nonfounder shareholders. And the 17 agreement and understanding with everyone was that 18 if we were going to buy something, this is not a 19 normal day-to-day operation, the decision. If we 20 were going to buy a company we obviously run it by 21 them. 22 Q That understanding would apply to either 23 buying a company or entering an option agreement 24 to have the option to buy a company? 25 A That would be a precursor.</p>	<p style="text-align: right;">162</p> <p>1 Drew Niv 2 Q It would be treated the same way for 3 purposes -- 4 A Right. It is largely the same. 5 Obviously it is not the same thing but it's, you 6 know, there's the potential for us to buy at that 7 point and we would need to run that by them. 8 BY MR. ROMEU-MATTA: 9 Q Was this understanding put in writing in 10 bylaws of FXCM Holding? 11 A I don't recall the specifics of the 12 bylaws but you know, we have everything changed 13 after the IPO. And but you couldn't just do -- 14 this would be too big for someone to do by 15 themselves. 16 Q So your testimony essentially is that 17 William Ahdout shouldn't have signed the document 18 we are looking at at this point in time? 19 A Again, he signed it for expediency. He 20 thought this would get approved, he thought it was 21 just an option agreement and not really a big 22 thing. Obviously compliance and legal said this 23 is not something that we should be entering into, 24 so we canceled it. 25 Q Did you have a conversation with William</p>
<p style="text-align: right;">163</p> <p>1 Drew Niv 2 Ahdout about signing this document? 3 A I had a conversation about canceling it. 4 Q Could you tell me what the conversation 5 was? 6 A That compliance said that we can't do 7 that. 8 Q And the basis for compliance's position 9 that he could not do that was what? 10 A They have a conservative stance, this 11 would essentially make it appear that we have 12 control over that. 13 Q I guess I'm not understanding compliance 14 was not saying that William Ahdout could not sign 15 this document, they were saying they wanted to be 16 more conservative in approach? 17 A They would not approve this, us having 18 an option agreement. 19 BY MR. TOMER: 20 Q During this conversation was it known 21 that there was a signed agreement in place? 22 A When we were discussing the option 23 agreement, initial discussion -- again, these were 24 all discussions, multiple meetings, initial 25 discussion with no conclusion reached yet, William</p>	<p style="text-align: right;">164</p> <p>1 Drew Niv 2 sort of was negotiating all of these things 3 because there were a bunch of documents being done 4 at the same time. He obviously rushed into this 5 and we in subsequent discussion came to the 6 conclusion this is not something that was going to 7 be approved and therefore if it's not approved 8 this document did not get carried out. 9 BY MR. ROMEU-MATTA: 10 Q You say "we" in subsequent discussion. 11 Who are you referring to? 12 A The same people who were involved. 13 Partners of FXCM plus compliance, legal, you know, 14 top executives. 15 Q Was this understanding reduced to 16 writing? 17 A I'm sure we have it somewhere. I don't 18 recall. Again, this is too long ago to recall 19 every little thing but we certainly have had, if 20 you look at discussions post this, we have had 21 discussions with John about buying Effex and about 22 doing that afterwards, you know, so there's still 23 negotiations. If we had this option agreement 24 we -- 25 Q Would discussions be also found in some</p>